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ASSOCIATION OF AFRICAN TAX ADMINISTRATORS
SECOND GENERAL ASSEMBLY MEETING
GABORONE (BOTSWANA), 12-16 MARCH 1984

REPORT OF THE SECOND GENERAL ASSEMBLY MEETING OF THE ASSOCIATION OF AFRICAN TAX ADMINISTRATORS

A. ORGANIZATION AND ATTENDANCE

1. The Second General Assembly meeting of the Association of African Tax Administrators was held at the Holiday Inn Conference Centre, Gaborone, (Botswana) from 12 to 16 March 1984. The meeting was attended by representatives of the following countries: Botswana, Republic of Cameroon, Comoros, Peoples Republic of Congo, Ethiopia, The Gambia, Lesotho, Liberia, Malawi, Morocco, Nigeria, Somalia, Swaziland and Zambia. Representatives from the International Monetary Fund, The International Tax Programm (Harvard University) and the Souhern and Eastern African Tax Administrators Liaison Organization (SEATALO) also attended as observers.

2. The members of the General Assembly elected the representatives of the following member States as Chairman and Vice-Chairman by acclamation.

Chairman: Mr. Rat Peba S. Sethantsho (Botswana).

Vice-Chairman: Mr.. E. Nkamgang (Republic of Cameroon)

With regard to the Chairmen of the subregional committees, the following elections were made:

Chairman, Eastern and Southern Subregional Committee: Ethiopia

Chairman, West African Subregional Committee: Liberia

Chairman, Central African Subregional Committee: Republic of Cameroon

Chairman, North African Subregional Committee: Algeria

B. Agenda

3. After considering the provisional agenda presented by the secretariat, the members of the General Assembly adopted the following agenda:

1. Registration
2. Opening of the meeting
3. Election of Chairman and Vice-Chairman of AATA for the biennium March 1984 - February 1986.
4. Adoption of the Agenda and Organization of work.
5. Adoption of the summary records of the first General Assembly meeting of AATA
6. Report on the activities of AATA including financial statements for the biennium March 1982 - February 1984.

7. Provisional programme of work and operating budget of AATA 1984-1986.

8. Proposed member States' contributions to AATA biennium budget; 1984-1986.

9. Selection of a candidate for the post of Secretary-General of AATA.

10. Date and place of the meeting of the Third General Assembly.

11. Any other business.

12. Distribution of draft summary records and closing of the meeting.

C. ACCOUNT OF PROCEEDINGS

Opening of the meetings.

4. The third Executive Committee and second General Assembly meetings of the Association of African Tax Administrators were officially opened by Mr. P.T. Nteta, Acting Permanent Secretary in the Ministry of Finance and Development Planning, on behalf of the Hon. P.S. Mmusi, Vice-President and Minister of Finance and Development Planning of the Republic of Botswana.

5. In his opening speech, Mr. Nteta welcomed all conference participants to Botswana and stated that the Government and people of Botswana felt greatly honoured that Botswana had been chosen to host the third Executive Committee and second General Assembly meetings of the Association of African Tax Administrators.

6. He informed the meeting that even though the Botswana Tax Department was young, the Government was committed to the principle of cooperation with other countries in the field of taxation. To that end, Botswana was a founder member of the Southern and Eastern African Tax Administrators Liaison Organization (SEATALO), the Commonwealth Association of Tax Administrators (CATA) and the Association of African Tax Administrators(AATA).

7. Mr. Nteta further stated that taxation meant more than the raising of revenue for government; it also meant an increasing contribution to the growth and development of national economies in line with national aims and objectives.

8. Regarding one of the topics,"tax fraud and evasion",to be discussed during the technical workshop, Mr. Nteta noted that although tax rates in Botswana had remained either static or had been lowered since 1976, economic growth since then had brought with it more sophisticated forms of evasion but that with appropriate anti-evasion legislation and increased vigilance on the part of the Tax Department the situation would be kept within tolerable proportions.

9. In conclusion, he expressed the hope that the exchange of ideas during the meeting would provide some of the answers to tax problems in furthering the aims of AATA and that ties among countries in Africa would be strengthened.

10. The outgoing Chairman of AATA, Mr. Mohamed Yahya (Ethiopia), also addressed the opening session. In his speech, he elaborated on the aims and objectives of the Association and its importance in the promotion of efficient and effective tax administrations in Africa. He further stated that unlike other African subregional organizations whose membership consisted of either Inland Revenue or Customs and Excise administrations only, AATA was the first and only all-African association which brought the two administrations into its membership.

11. Mr. Yahya also pointed out that since its inauguration in 1980, AATA's membership had grown from 11 to 19 and that the increase in the member States attending the meeting as observers was only indicative of their growing interest in the activities of the Association. He hoped that more African countries would soon join AATA.

12. In his closing remarks, Mr. Yahya thanked the United Nations Economic Commission for Africa, the German Foundation for International Development and the Internationa Tax Programme of the Harvard Law School for their continuing support of and interest in, the activities of AATA. He also thanked the Government of the Republic of Botswana for having made it possible for the third Executive Committee and Second General Assembly meetings of the Association to be held in the beautiful city of Gaborone.

13. A representative of the interim Secretariat also delivered a message from Professor Adebayo Adedeji, United Nations Under-Secretary-General and Executive Secretary of the United Nations Economic Commission for Africa (ECA).

14. In his statement, Professor Adedeji thanked the Government of Botswana for having kindly and promptly accepted to host the third Executive Committee and second General Assembly meetings of the Association.

15. He outlined the originating history of AATA and said that its creation was the result of numerous calls upon ECA to create a regional institution for the improvement of tax administrations in its member States. He, however, informed the meeting that like all other ECA-sponsored institutions AATA lacked financial support from the very African countries that clamoured for its creation. He ,therefore, appealed to all AATA member States to pay their contributions in full and on time and urged those African States which had not yet joined the Association to do so.

16. On the question of the establishment of AATA's Secretariat outside ECA and the appointment of a Secretary-General, Professor Adedeji advised member States to go slow because of AATA's shaky financial position and until the report of the Ad Hoc Ministerial Committee, which had been appointed to look into the viability and relevance of all ECA-sponsored institutions, had been published.

Adoption of the summary records of the first General Assembly (Item 5)

17. The meeting considered the summary records of the first General Assembly meeting and, there being no amendments, the meeting formally adopted it.

Report on the activities of AATA including financial statements for the biennium 1982-1984. (Item 6).

18. The Chairman of AATA for the biennium 1982-1984 (Ethiopia) presented the report on the activities of AATA including financial statements for the biennium March 1982 to February 1984. In his presentation, the Chairman informed the meeting that the third Executive Committee meeting was not held in Kampala (Uganda) as scheduled because of lack if a quorum. He further mentioned that the same problem came up again in Gaborone which caused delay in commencing its work.

19. Regarding the activities undertaken by the Subregional Committees during the biennium March 1982 to February 1984, the meeting requested the respective Chairmen of the Subregional Committees to explain why their Committees did not organize seminars as required by the decision taken by the first General Assembly meeting. In his explanation, the Nigerian delegate, Chairman of the West African Subregional Committee, informed the meeting that although he organized a seminar on "Taxation and National Development" in Lagos (Nigeria) from 22 to 25 February 1983, for the member States of the West African Subregional Committee yet not a single member State in the subregion attended the seminar. In this regard, the delegate felt that there was need to find out the cause for the lack of interest by member States in AATA.

20. The delegate from the Republic of Cameroon, Chairman of the Central African Subregional Committee, told the meeting that he did not organize a seminar for his subregion because of lack of information regarding the member States in the subregion which were members of AATA. In his presentation, he however, warned the meeting to be patient and not to be disturbed by the apparent inactivity of the Subregional Committees.

21. In the discussions which followed the presentations made by the Chairmen of the two Subregional Committees, members of the General Assembly felt that the inactivity of the Subregional Committees might be due, among other reasons, to the financial burden involved in organizing seminars in the subregions and the apparent lack of interest in AATA.

22. In discussing the issue of the withdrawal of Malawi from AATA, the General Assembly agreed to appeal to Malawi to consider rejoining the Association bearing in mind the important role Malawi palyed in the establishment of AATA.

23. Turning to the financial resources of AATA, the delegate of the Republic of Cameroon informed the meeting that the Republic of Cameroon's contributions outstanding for the biennium 1980/1982 might be due to differences in the exchange rate between the US dollar and the CFA at the time the payment was made. The interim secretariate was therefore requested to investigate the matter in order to make the necessary adjustments. The delegates from Comores and Gambia informed the meeting that although Annex II of the "Report on the activities of AATA including financial statements" showed that their member States had not paid their contributions yet they felt that the contributions were paid. The delegate from Comoros further informed the meeting that Comoros' contribution was paid into account No. 656 being maintained by the Commercial Bank of Ethiopia. The interim secretariat was further requested to investigate the matter.

"PROVISIONAL PROGRAMME OF WORK AND OPERATING BUDGET OF THE ASSOCIATION OF AFRICAN TAX ADMINISTRATORS MARCH 1984 TO FEBRUARY 1986 (Item 7)

24. The members of the General Assembly had before them, for consideration and approval, paragraphs 10 to 15 dealing with "Provisional programme of work and operating Budget of the Association of African Tax Administrators March 1984 to February 1986 " in the document entitled "Draft Report and recommendations of the third meeting of the Executive Committee of the Association of African Tax Administrators" presented by the Executive Committee. The Chairman of the Executive Committeee in introducing the item, outlined the activities to be undertaken by the Association during the biennium March 1984 to February 1986. These activities were:-

1. The holding of a technical conference in 1985
2. The meeting of the Executive Committee in 1985
3. The meeting of the General Assembly in 1986.

25. With regard to the topics to be discussed during the technical conference to be held in 1985, the General Assembly agreed on the following:

1. The role and importance of management information, audit and collection in tax administration.
2. Introduction of computerization in tax administration.

The observer from Morocco voluntered to prepare a paper on the second topic, "Introduction of computerization in tax administration".

26. Since the government of Egypt had already agreed to host the third General Assembly meeting, member of the General Assembly agreed that the fourth Executive Committee and the third General Assembly meetings should be jointly held in March 1986 in Cairo (Egypt) Regarding the technical workshop to be organized during the third General Assembly meeting, the general Assembly agreed to discuss the following topic. Middle management development in tax administration; based on the topic: "basic issues in tax auditing or examination".

27. In reviewing the budget proposals submitted by the Executive Committee, the Chairman of the Executive Committee informed the meeting that the establishment of AATA Secretariat was recommended to be deferred because of the financial position of the Association. He however, informed the meeting that provisions for membership-drive and a reserve fund for the establishment of AATA Secretariat were recommended to be included in the budget proposals. He also informed the meeting that a provision of US$10,000 was recommended to be included in the budget proposals which amount would be used for hiring of consultants to prepare and present lead papers on topics chosen for discussion during the Second Technical Conference to be held in 1985 and the techncial workshop to be organized during the third General Assembly meeting.

28. In discussing the budget proposals, one representative suggested that the Chairman of AATA as well as the four Chairmen of the Sub regional Committees should, during their visits in member countries soliciting membership and payment of arrears of contributions, investigate the factors which had been inhibiting the progress of,and the reasons for the apparent lack of interest in,the Association.

29. There being no other proposals the meeting adopted the budget estimates shown in Annex I to this report.

PROPOSED MEMBER STATES' CONTRIBUTIONS TO AATA BIENNIAL BUDGET MARCH 1984 - FEBRUARY 1986 (ITEM:8)

30. The Chairman of the Executive Committee introduced agenda item 8 dealing with the "Proposed member States' contributions to AATA biennial budget March 1984 to February 1986".

31. In his introduction, the Chairman briefly outlined the four formulae for assessing member States contributions proposed by the interim Secretariat, and these were:

(a) The Egyptian proposal based on each member States' per capita income;
(b) The establishment of a trust fund ;
(c) The equal share formula;and
(d) Contributions based on the OAU formula.

He further informed the General Assembly meeting, that the Executive Committee was recommending the "equal share formula" for the assessment of member States' contributions to the biennium budget March 1984 - February 1986.

32. In discussing the four formulae, the representatives of Gambia and Swaziland felt that the OAU formula was in the interest of the Association and that it should be maintained because it was based on each member States' capability to bear the financial burden of the Association.

33. Other representatives argued however, that whatever formulae were used there would be inequity in the assessment of member States' contributions.

34. After a long discussion of the four formulae, the assessment of member States' contributions based on the "equal share" formula was adopted by the General Assembly. It was, however, agreed that the formula should be used only for the assessment of member States' contributions to the biennium budget of March 1984 to February 1986 and that the interim secretariat or any member State should put forward other formulae for the consideration of the third General Assembly meeting which would be held in 1986. A table showing member States' contributions to the biennium budget March 1984 to February 1986,as adopted,is contained in Annex II to this report.

Selection of a candidate for the post of Secretary General of AATA (Item 10)

35. Taking into consideration the present financial position of AATA, the General Assembly accepted the recommendation of the Executive Committee that the appointment of a Secretary General of AATA be deffered and that at the appropriate time, the post should be readvertized in all AATA member States.

Date and Place of the third General Assembly meeting of AATA (Item 11)

36. The Chairman of the Executive Committee informed the General Assembly that the Arab Republic of Egypt had offered to host the third General Assembly meeting in Cairo (Egypt) and in order to save on travel costs relating to the recruitment of translators and interpreters, the General Assembly agreed that the fourth Executive Committee and the third General Assembly meetings of AATA be jointly held in Cairo (Egypt) in March 1986.

Any other Business (Item 12)

37. Under this agenda item, three issues were discussed, and these were:

- a proposal made by one delegate asking the General Assembly to draw up a list of member States which could be contacted for the hosting of future technical conferences and General Assembly meetings of the Association:

- a motion tabled by the delegate from Nigeria requesting the members of the General Assembly to appeal to the Government of Malawi to rejoin AATA; and

- the question of asking the Southern and Eastern African Tax Administrators Liaison Organization (SEATALO) to merge its activities with those of Eastern and Southern Subregional Committee of AATA.

38. With regard to the issue of drawing up a list of member States which could be contacted for the hosting of future technical conferences and General Assembly meetings, it was agreed that such listing should be made only for a biennium and not for a longer period.

39. After discussing the motion tabled by the delegate from Nigeria and seconded by the delegate from Ethiopia regarding the withdrawal of Malawi from AATA, the General Assembly agreed to request the interim secretariat of AATA to write and appeal to the Government of Malawi to consider rejoining the Association. Responding to this decision, the observer from Malawi told the meeting that he realized the benefits to be gained by his country as a member of AATA and because of that he promised to communicate the appeal made by the General Assembly to the Government of Malawi.

40. On the question of merging of the activities of SEATALO with those of the Eastern and Southern Subregional Committee of AATA, delegates from member States of SEATALO who were at the meeting undertook to discuss the matter during one of the meetings of SEATALO and the General Assembly, therefore, agreed that it would not be necessary for the interim secretariat to approach SEATALO on the issue.

41. For the hosting of the Second Technical Conference, it was agreed that the following countries; Republic of Cameroon, Congo and Morocco be requested by the interim secretariat to consider to host the Conference.

Distribution of Draft Summary Records and Closure of the Meeting (Item 13)

42. Draft summary records of the meeting were circulated to members of the General Assembly.

43. The Chairman in his closing remarks referred to the importance of the topics particularly the "Unitary method and the less developed countries" which were discussed during the workshop. He further pointed out that since payment of taxes was still regarded by some tax payers as something of a colonial antecedent, tax administrators had, therefore, the task of changing that attitude. Speaking on tax laws, the Chairman appealed to tax law makers to bear in mind the additional compliance costs which would be borne by tax payers when they were called upon to pay new taxes. Referring to the importance of AATA, the Chairman said that, that importance would only be maintained if member States supported the Association by paying their assessed contributions. In conclusion, the Chairman thanked the outgoing Chairman of AATA, the interim Secretariat, the technicians, staff of the Botswana Department of Taxes as well as the guest speakers for the services they rendered which led to the successful deliberations of the meeting.

44. The outgoing Chairman, the delegate from Ethiopia, also spoke during the closure of the meeting. In his brief statemetn, he pointed out that delegates should be congratulated for the success of the meeting and commended the workshop which provoked lively discussion. The meeting was then declared closed by the Chairman.

APPROVED BUDGET FOR THE BIENNIUM MARCH 1984 - FEBRUARY 1986

		US $
I.	**Technical Conference**	
(i)	Interpreters (4)	
	(a) Travel	11 700
	(b) Subsistence	2 400
	(c) Salary	8 000
(ii)	Translators (2)	
	(a) Travel	5 850
	(b) Subsistence	1 200
	(c) Salary	4 000
(iii)	Consultancy	5 000
(iv)	Miscellaneous	745
		$ 38,895
II.	**Executive Committee/General Assembly Meetings**	
(i)	Interpreters (4)	
	(a) Travel	11 700
	(b) Subsistence	2 400
	(c) Salary	8 000
(ii)	Translators (2)	
	(a) Travel	5 850
	(b) Subsistence	1 200
	(c) Salary	4 000
(iii)	Consultancy	5 000
(iv)	Miscellaneous	800
		38 950
III	**Membership Drive**	
	Travel and subsistence	30 000
IV	**Reserve Fund** (Establishment of AATA Secretariat)	30 000
	TOTAL	$137 845

AATA Member States' approved contributions on US$ based in equal sharing.

(1984 - 1986 Biennial Budget: US$ 137,845)

I	II
ALGERIA	7255
BENIN	7255
BOTSWANA	7255
CENTRAL AFRICAN REPUBLIC	7255
COMOROS	7255
EGYPT	7255
ETHIOPIA	7255
GAMBIA	7255
LIBERIA	7255
MALI	7255
NIGER	7255
NIGERIA	7255
REPUBLIC OF CAMEROON	7255
SENEGAL	7255
SWAZILAND	7255
TOGO	7255
UGANDA	7255
ZAIRE	7255
ZAMBIA	7255
	137.845